

WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007
Shai Y. Waisman

Attorneys for Debtors
and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X	
	:
In re	:
	:
LEHMAN BROTHERS HOLDINGS INC., et al.,	:
	:
Debtors.	:
	:
	:
-----X	

**DECLARATION OF SHAI Y. WAISMAN IN SUPPORT OF ORDER
TO SHOW CAUSE TO SHORTEN TIME AND PROCEED BY NOTICE OF
PRESENTMENT TO CONSIDER DEBTORS' MOTION, PURSUANT
TO SECTION 365 OF THE BANKRUPTCY CODE FOR AUTHORIZATION
TO (I) ASSUME UNEXPIRED LEASE OF NONRESIDENTIAL REAL PROPERTY
AND (II) ASSUME AND ASSIGN UNEXPIRED LEASES OF REAL PROPERTY**

SHAI Y. WAISMAN, being duly sworn, hereby declares pursuant to section 1746
of title 28 of the United States Code:

1. I am an attorney admitted to practice before this Court and a partner of
Weil, Gotshal & Manges LLP, attorneys for Lehman Brothers Holdings Inc. and its affiliated
debtors in the above-referenced chapter 11 cases, as debtors and debtors in possession (together,
the "Debtors" and, collectively with their non-debtor affiliates, "Lehman") filed in the United
States Bankruptcy Court for the Southern District of New York. Unless otherwise indicated, I
have knowledge of the facts set forth herein from various employees of the Debtors and from the
Debtors' professionals.

2. I am submitting this declaration in support of the Order to Show Cause being contemporaneously submitted to proceed by presentment on expedited notice with respect to the Debtors' motion, dated April 6, 2009 (the "Motion"), for authorization (i) to assume that certain Agreement of Sublease dated as of November 30, 2001 (as amended by (a) First Amendment of Sublease, dated as of May 8, 2002 and (b) Second Amendment of Sublease, dated as of August 12, 2005, and (c) Third Amendment of Lease (the "Amendment"), the "85 Tenth Lease"), by and between LBHI and 85 Tenth Avenue Associates, LLC (as successor-in-interest to Level 3 Communications, LLC), and (ii) to assume and assign to Neuberger Berman Holdings LLC ("Neuberger") (y) that certain Agreement of Lease, dated July 7, 2003, by and between 600 Partners Co., L.P. ("600 Partners") and LBHI (as successor-in-interest of Neuberger Berman Inc.) (as amended and/ or supplemented, the "600 Madison Lease") and (z) that certain Sublease, dated as of June 24, 2005, by and between Financial Solutions Partners, LLC and LBHI (as amended and/or supplemented, the "Sublease" and, together with the 600 Madison Lease, the "600 Madison Leases"), all as more fully described in the Motion.

3. Local Rule 6006-1(c) requires that a debtor moving to assume an unexpired lease of nonresidential real property must seek to obtain a return date for the hearing on the motion that is before the expiration of the period to assume. The Court entered an amended order, dated February 13, 2009 [Docket No. 2837] (the "Case Management Order"), governing case management and administrative procedures in the Debtors' chapter 11 cases. Pursuant to the Case Management Order, the Motion requires at least fourteen days' notice. The Debtors are requesting an order to shorten the notice period ordinarily required for the Motion under Local Rule 6006-1(c) and the Case Management Order and to allow the Debtors to proceed by notice of presentment.

4. All statements contained herein are based on personal knowledge or made upon information and belief.

The Need for Shortened Notice With Respect to the Motion

5. By motion dated December 29, 2008, the Debtors moved the Court, pursuant to section 365(d)(4) of the Bankruptcy Code, for an extension of the period within which the Debtors must assume or reject unexpired leases of nonresidential real property (the “Extension Motion”) [Docket No. 2406]. By order dated January 15, 2009, the Court granted the Extension Motion [Docket No. 2548], extending the period within which the Debtors must assume or reject unexpired leases of nonresidential real property through and including April 13, 2009 (the “Assumption-Rejection Deadline”). The Assumption-Rejection Deadline is only a week from the date hereof.

6. Section 365(d)(4) of the Bankruptcy Code, as amended by the Bankruptcy Abuse Prevention and Consumer Act of 2005, provides that no further extensions of the Assumption-Rejection Deadline may be granted by the Court absent written consent of the lessor under each lease for nonresidential real property. The Debtors have not obtained such consent with respect to the 85 Tenth Lease or the 600 Madison Leases. Consequently, the Debtors must assume or reject such leases by the Assumption-Rejection Deadline, which is imminently approaching.

7. As more fully set forth in the Motion, the assumption of the 85 Tenth Lease and the assumption and assignment of the 600 Madison Leases will benefit the Debtors’ estates. The 85 Tenth Lease is a valuable asset of LBHI’s estate. The Debtors are in the process of winding-down their businesses and operations. While doing so, it is essential that the Debtors retain their data center operations. The Debtors’ assumption of the 85 Tenth Lease will permit

the Debtors to maintain their data center operations at their current location, while reducing their obligations with respect to the 85 Tenth Lease existing prior to the execution of the Amendment. Consequently, the Debtors believe that assuming the 85 Tenth Lease will provide significant benefit to the Debtors' estates. The assignment and assumption of the 600 Madison Leases will also benefit the Debtors' estates. The Debtors have discontinued operations at the premises of the 600 Madison Leases, and as such, the Debtors allocate valuable time and resources to processing their obligations under the 600 Madison Leases with no corresponding benefit to the Debtors' estates. Additionally, Neuberger is contingently liable to 600 Partners under the Sublease. The assumption of the 600 Madison Leases and assignment thereof to Neuberger, a non-debtor subsidiary of LBHI, will eliminate most of the Debtors' direct liabilities associated with the 600 Madison Leases and allow Neuberger to benefit from the income stream generated by the Sublease. Accordingly, the Debtors believe that assuming and assigning the 600 Madison Leases to Neuberger will benefit the Debtors' estates.

8. If presentment of the Motion does not occur prior to the Assumption-Rejection Deadline, the Debtors may be denied the opportunity to assume the 85 Tenth Lease and to assume and assign to Neuberger the 600 Madison Leases. Consequently, the Debtors' estates will be deprived of these valuable assets.

9. Given the current circumstances, to ensure the assumption of the 85 Tenth Lease and the assumption and assignment to Neuberger of the 600 Madison Leases, the Debtors respectfully request that the Court enter the Order to Show Cause to proceed with presentment of the Motion on April 9, 2009 at 1:00 p.m. (Prevailing Eastern Time), with objections or responses, if any, to be received by April 9, 2009 at 12:00 p.m. (Prevailing Eastern Time) (the "Objection Deadline"). If no objections or responses are filed by the Objection Deadline, the

Debtors respectfully request that the Court deem the relief requested in the Motion unopposed, and the Court enter an order granting the relief sought without a hearing. If any objections or responses are filed by the Objection Deadline, the Debtors respectfully request that the Court schedule a hearing on the Motion so that it may be heard on April 10, 2009 at 10:00 a.m. (Prevailing Eastern Time).

10. The Debtors have not requested the relief herein from this or any other court.

Dated: April 6, 2009
New York, New York

/s/ Shai Y. Waisman
Shai Y. Waisman

WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

Attorneys for Debtors
and Debtors in Possession